GOVERNMENT OF INDIA
DEVELOPMENT OF NORTH EASTERN REGION
LOK SABHA

UNSTARRED QUESTION NO:2840
ANSWERED ON:11.05.2016
Co-ordination between Mudra Bank and NEDFI
Trivedi Shri Dinesh

Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

(a) whether the North Eastern Development Finance Institution (NEDFI) has the same role and functions as Pradhan Mantri MUDRA Yojana (PMMY);
(b) if so, whether there is proposal for co-ordination between MUDRA Bank and NEDFI;
(c) if not, whether there is a provision under PMMY for development of the North Eastern Region; and
(d) if so, the details thereof and if not, the steps taken by the Government in this regard?

Answer

Minister of state (Independent Charge) of Ministry of
Development of North Eastern Region
[Dr. Jitendra Singh]
(a) (b) (c) & (d): North Eastern Development Finance Institution (NEDFI) has been extending financial assistance to industrial units/ enterprises with the objective of overall industrial development of North Eastern Region, more particularly of Micro Small and Medium Enterprises (MSME) and micro finance sectors. Whereas, Micro Units Development and Refinance Agency (MUDRA) proposes to help all small business to gain easy access to finance and regulate the policy guidelines for providing loans to small business and micro institutions. Presently, it refinances small business and micro institutions. There are some similarities in the role and functions of MUDRA and NEDFI in so far as financing MSME and micro finance sectors are concerned. However, the structure of NEDFI and MUDRA is very different from each other.In order to scale up operation of NEDFI and sustain its growth momentum, NEDFI may approach MUDRA to further mobilise resources to facilitate Non-Corporate Small Business segment (NCSBC).